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IN THE

Supreme Court of the United States

OCTOBER TERM, 1948

No. 309

YORK CORPORATION,

Petitioner,

vs.

REFRIGERATION ENGINEERING, INC.,

Respondent.

PETITIONER'S REPLY BRIEF

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Of Counsel.

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In discussing Petitioner's charge of misuse of the patent, counsel for Respondent state that there is nothing in the evidence to establish the manner in which Respondent conducts its business, or to establish that it endeavors to control the sale of any unpatented article. Counsel further state that the apparatus Respondent sells "includes every element of the patent" (Resp. Brief, p. 8). The record shows otherwise.

Claim 13, held valid and infringed, is for an apparatus of eight elements in combination (Pet. Brief, p. 4). Respondent's Vice President and General Manager Jarvis testified that the device Respondent sold did not include

three of these elements: the *inlet conduit,** the *outlet conduit,** and the *refrigerator box* (R. I, 79; 80; 81). There is no evidence to the contrary. Respondent did *not* sell the combination covered by its patent.

Respondent conducts its business by selling a device that is less than the patented combination, and does not install it (R. I, 81). After the unpatented parts are sold someone else furnishes the three additional elements of the combination and combines them when making the installation (R. I, 81). It is only then, after the unpatented parts have been sold by Respondent, that the patented combination comes into existence. *Respondent's business is the sale of unpatented parts.*

When these unpatented parts are bought from Respondent, no charge of infringement is made by it. When not bought from Respondent or its licensees, Respondent charges infringement and suit is brought (R. I, 89; 105). As Respondent's counsel admitted at the trial " * * * *perhaps we are selling less than we are entitled to under the combination and giving a license to use the rest of it*" (R. III, 1055). In effect, Respondent conducts its business on the basis of "buy my unpatented parts and I will give you a free license to complete the combination; if you buy unpatented parts from others I will sue you."

This is a clear misuse. The evidence is uncontroverted.

The Court of Appeals, in spite of the fact that the refrigerator box, or refrigerated space, is specifically stated to be *in combination with* the other elements and is several times mentioned in the claim in defining the other elements,

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* The claim specifically defines these conduits as leading from a point "remote from said space", indicating connections from a point outside the refrigerator box. These connections are shown in orange in Respondent's drawing of the patented structure Ex. DD (left side page 1544, Vol. IV of Record). The unit sold by Respondent (Ex. GG) did *not* include these parts.

concluded that this part is merely environment and not to be treated as "an element of the invention" (R. V, 1559). This conclusion seems to have had a bearing upon its decision that there was no misuse, the Court ignoring that there were two other elements which Respondent also did not sell. But this conclusion of the Court, namely that an element specifically named in a claim as being in combination with other parts is nevertheless not an element of the claim and can be ignored, is *directly contrary* to the decision of the Court of Appeals for the Third Circuit in *Galion Metallic Vault Co.* v. *Edward G. Budd Mfg. Co.*, 169 F. 2d 72 (cited in our petition, pp. 14, 23). In that case the claim was for several elements "in combination," including "a truck frame, a body" and other elements. It was urged that the truck frame was mere "background" and that therefore a charge of misuse was not valid. Such an argument was rejected by the Third Circuit Court of Appeals, which held that the reference to the part was not, as urged, "mere orientation or background to define the use of the body on the truck," and the Court sustained the defense of misuse (169 F. 2d 72, 75). A petition for a writ of certiorari in that case is now before this Court.

The petition for a writ of certiorari herein should be granted for the reasons set forth on pages 14-15 of the petition.

Respectfully submitted,

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